



Everett Metro Center Development Evaluation

PREPARED FOR

Everett_{WA}

PREPARED BY

 LELAND CONSULTING GROUP

MAY 2016



Economic Development

- Place making is key to attracting talented people and companies.
- Talent is central to economic development.
- Be authentic and do what you do best.
- It's better to have fewer goals than too many.

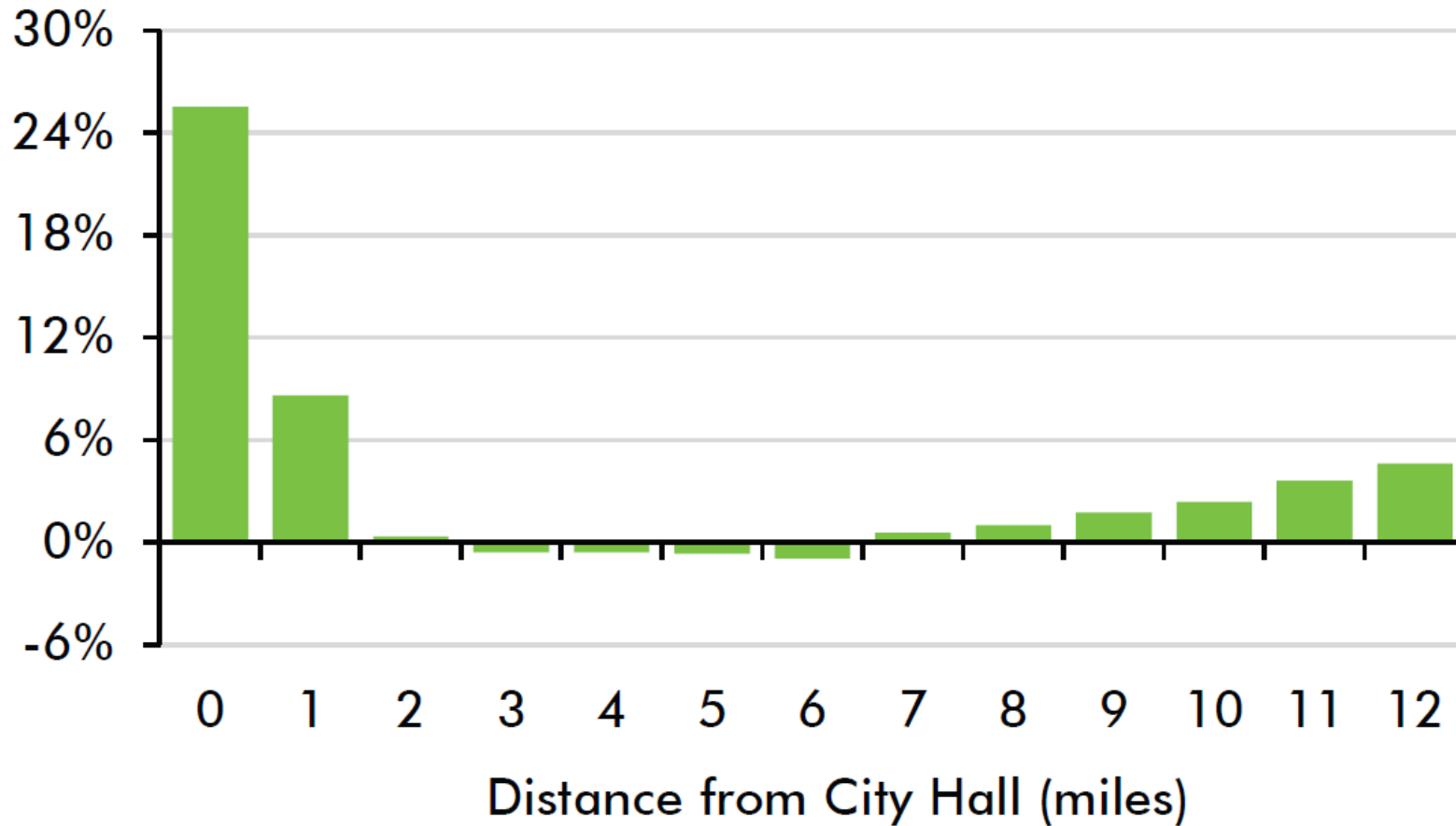
Sources: Brookings Institution, City Observatory.

<http://cityobservatory.org/how-should-cities-approach-economic-development/>

<http://www.brookings.edu/research/reports2/2016/02/29-remaking-economic-development>

Place making is key to attracting residents

Population Growth, 2000 to 2010, Large Metro Areas Nationwide



Source: U.S. Urbanization Trends, CBRE, 2015; U.S. Census Bureau.

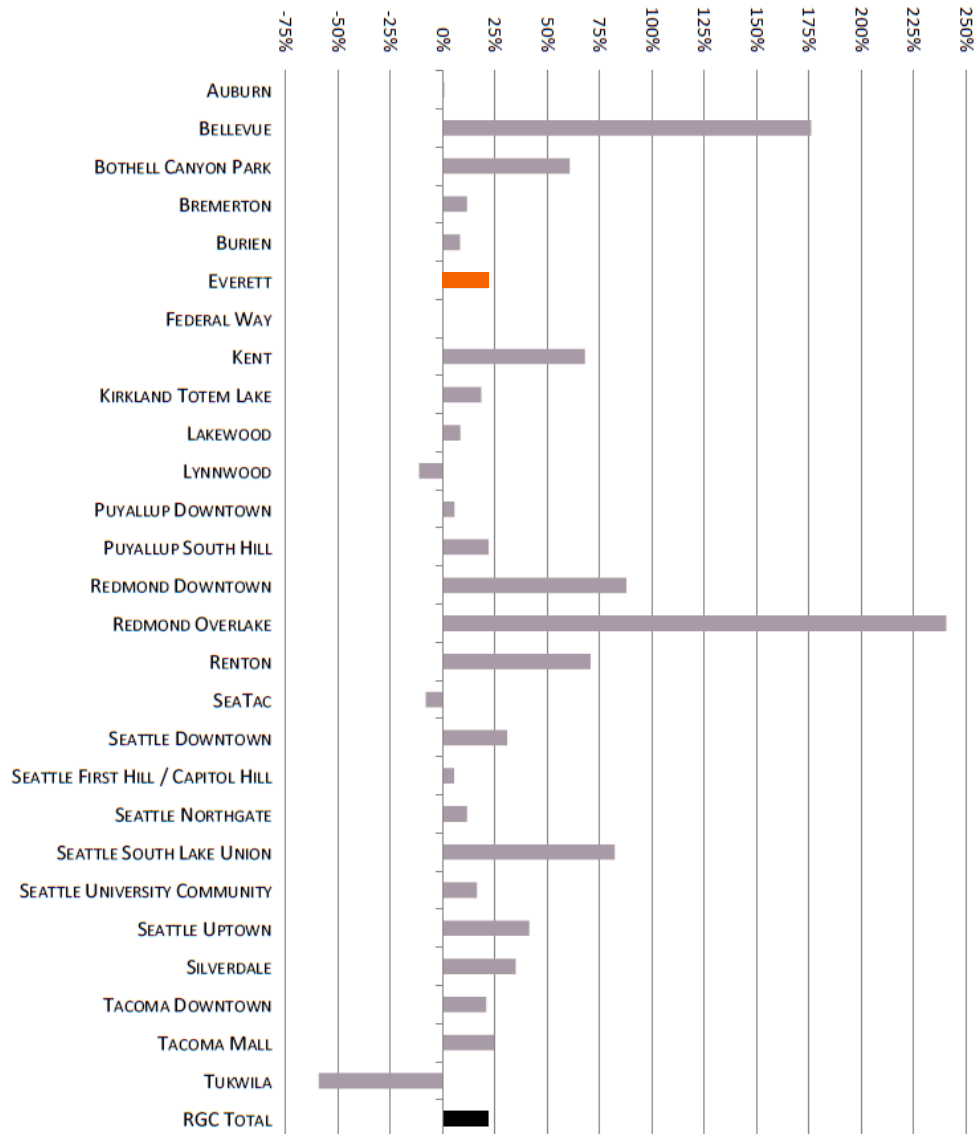
Preferences of Households that will Move



Source: America in 2013,
Urban Land Institute.



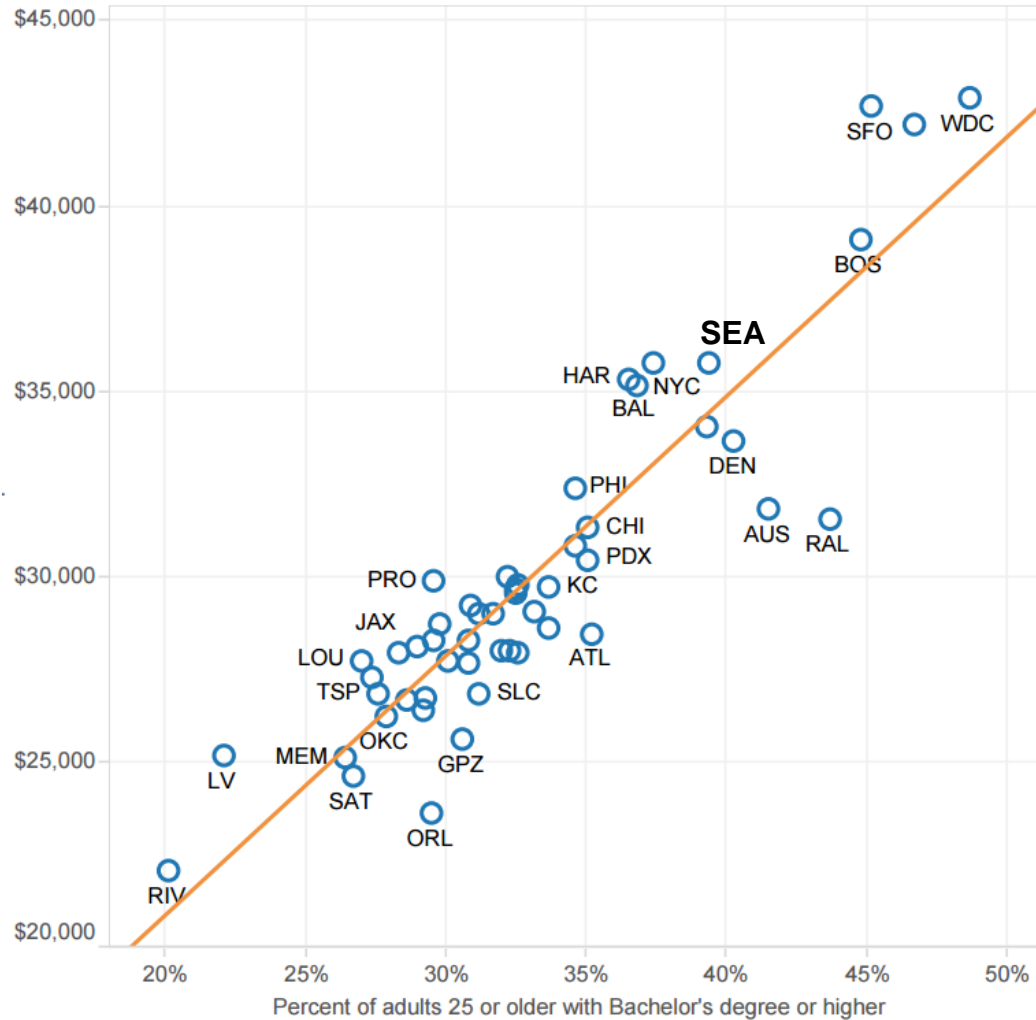
Population Change in Centers, 2000 - 2010



Source: PSRC.

Talent is central to economic development

Per Capita Income vs. College Attainment Rate



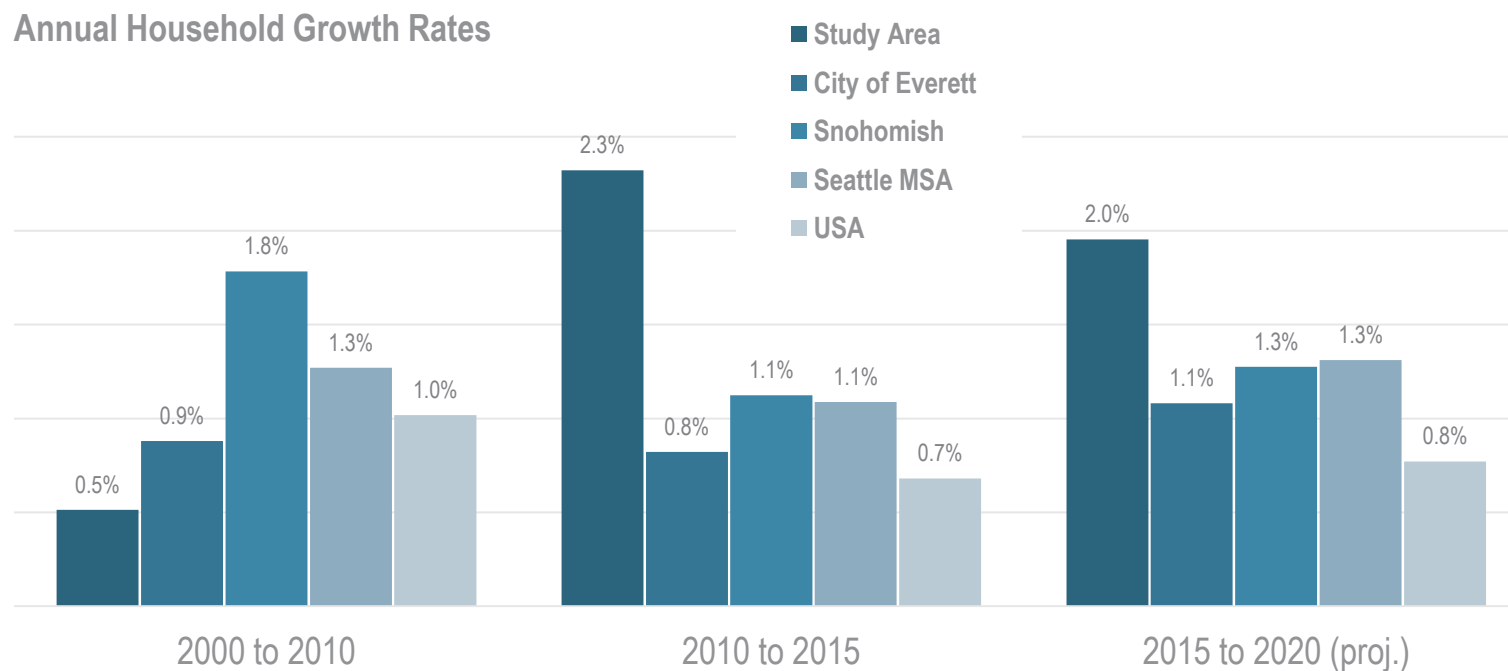
Source: ACS, BEA, City Observatory.

Demographics



Population Growth Trends

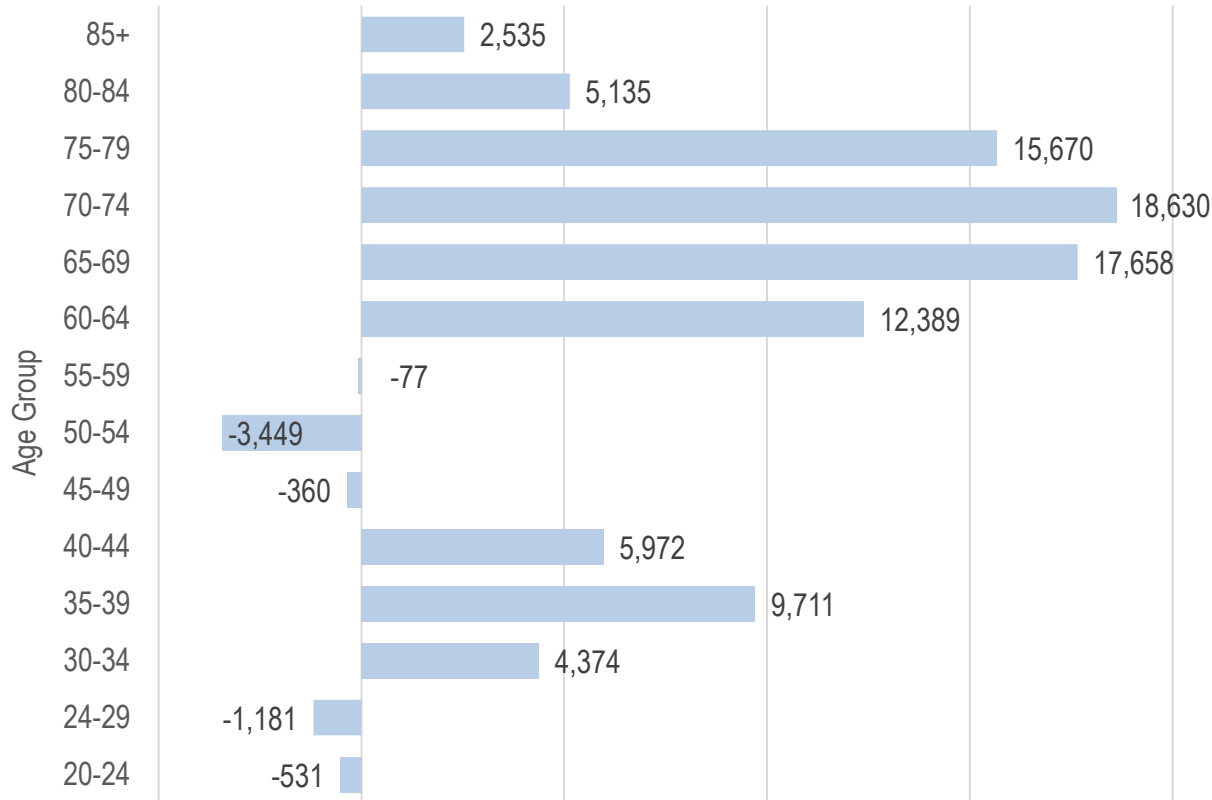
- After slow growth in the 2000s, Central Everett has outpaced regional and national comparisons areas since 2010



Source: ESRI BAO

Population Growth by Age

Projected Snohomish Population Growth by Age (2015-2025)



Source: Washington State Office of Financial Management; and Leland Consulting Group

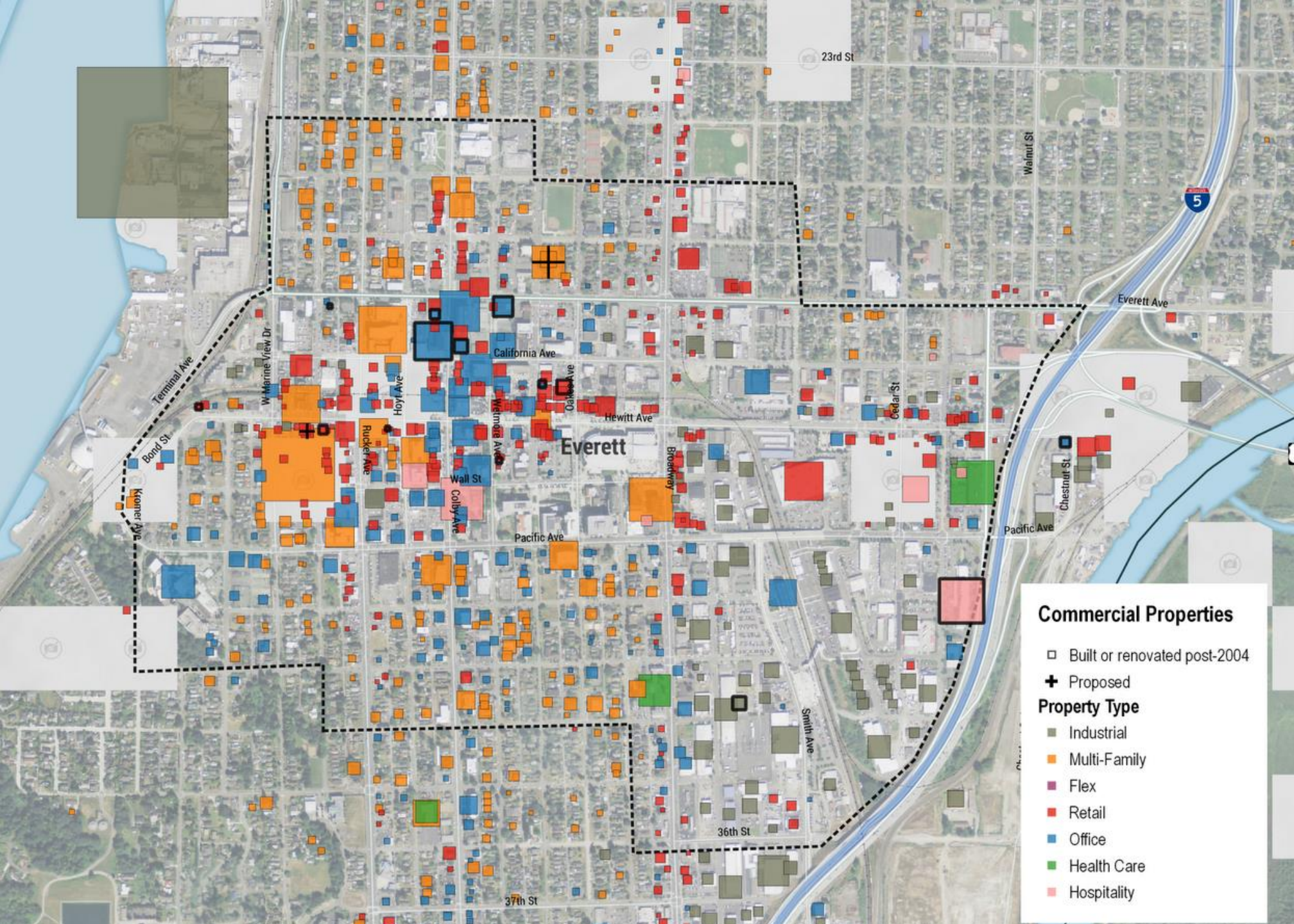
Demand Forecast

Housing

Office

Retail





Commercial Properties

□ Built or renovated post-2004

+ Proposed

Property Type

■ Industrial

■ Multi-Family

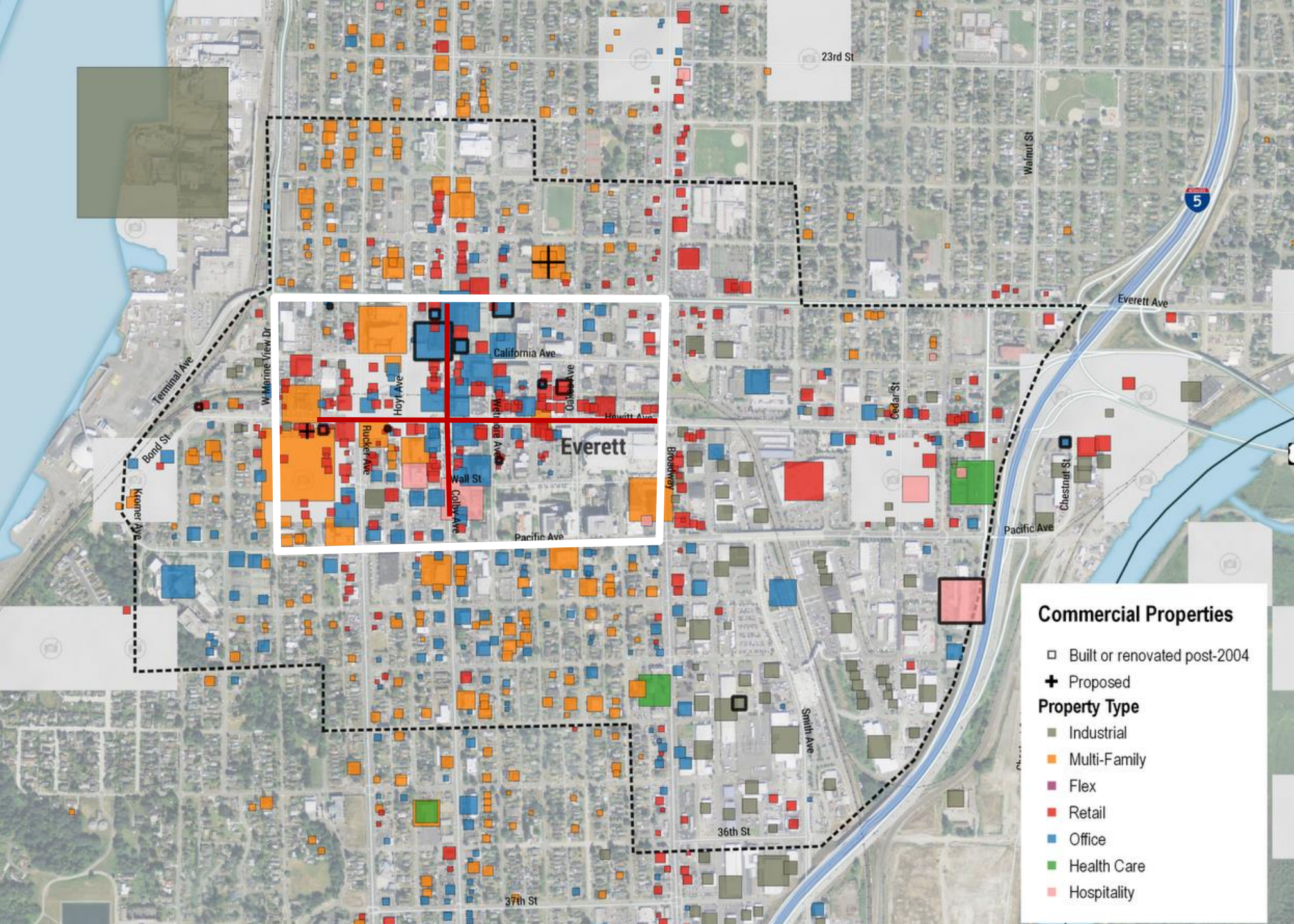
■ Flex

■ Retail

■ Office

■ Health Care

■ Hospitality



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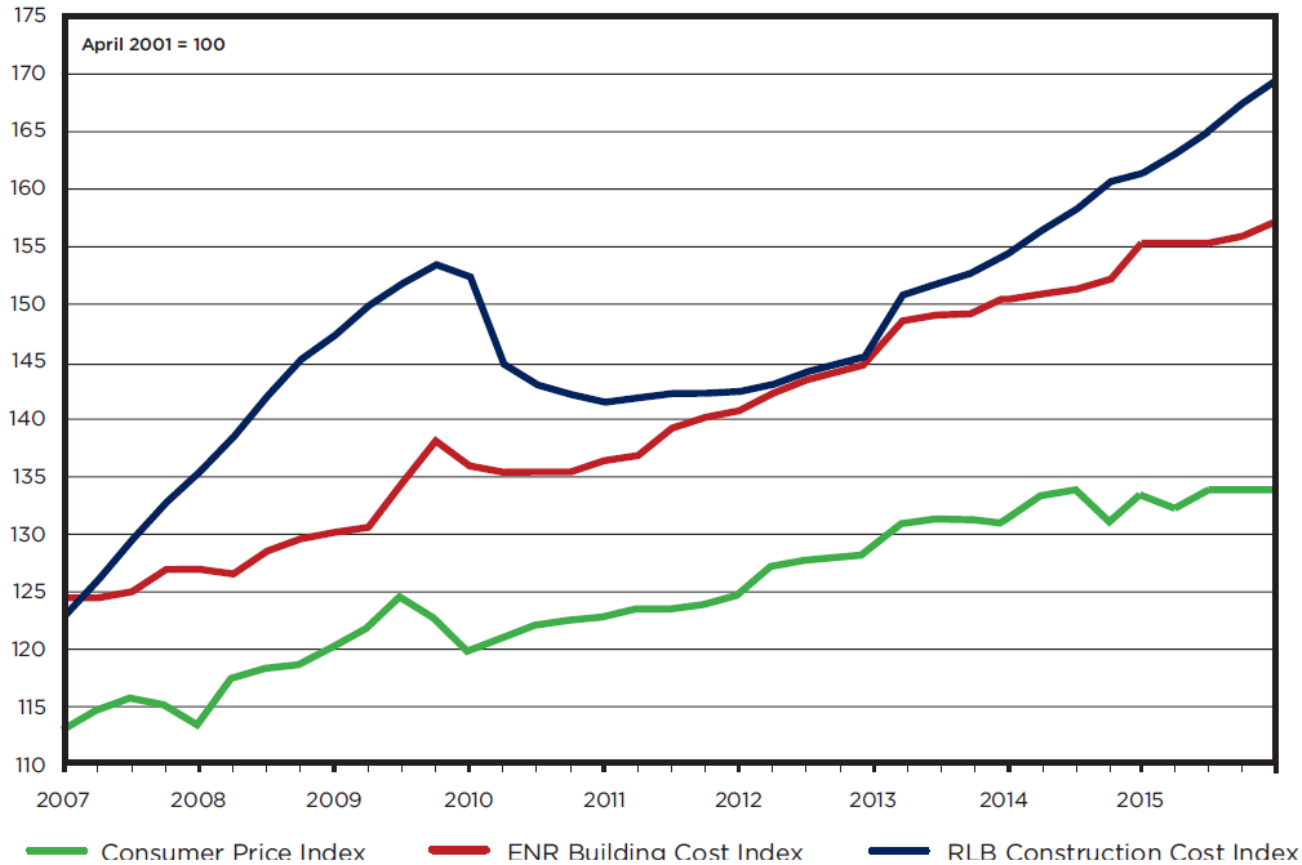
■ Hospitality

Metro Center Residential Capture

- (estimated per decade)

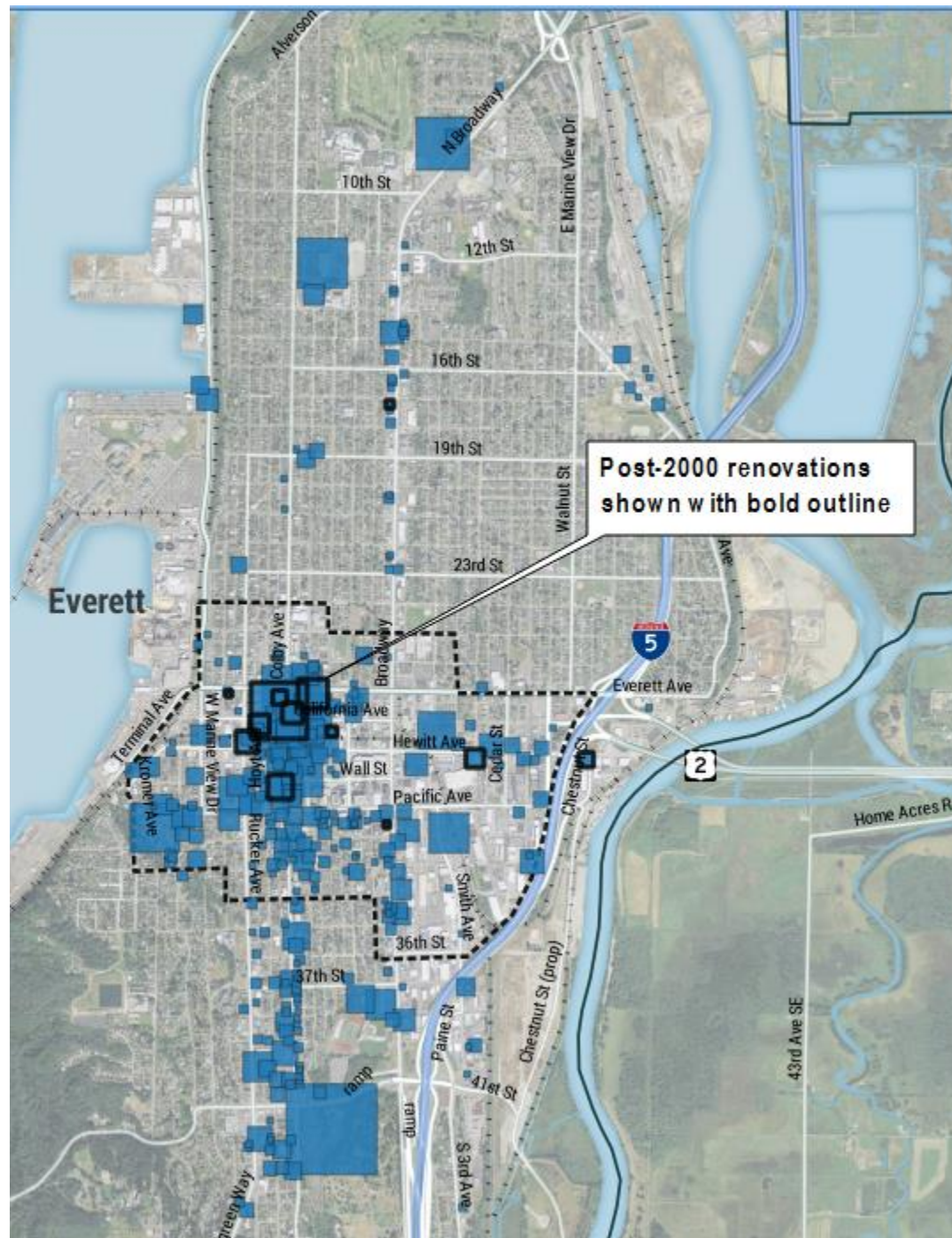
	Market Area Unit Demand	Attainable Study Area Capture Rates	10-year Study Area Absorption (low)	10-year Study Area Absorption (high)
Single Family Detached	14,000	0 to 0%	0	0
Attached Ownership (Townhome, Condo, Plex)	2,800	7 to 12%	190	330
Rental Apartments	9,200	7 to 12%	640	1,100
Total Units	26,000	3 to 6%	830	1,430

Construction Costs (National)



Sources: Rider Levett Bucknall, Engineering News-Record, U.S. Bureau of Labor Statistics

Office



Recent Everett Office Renovations

American West Bank Tower



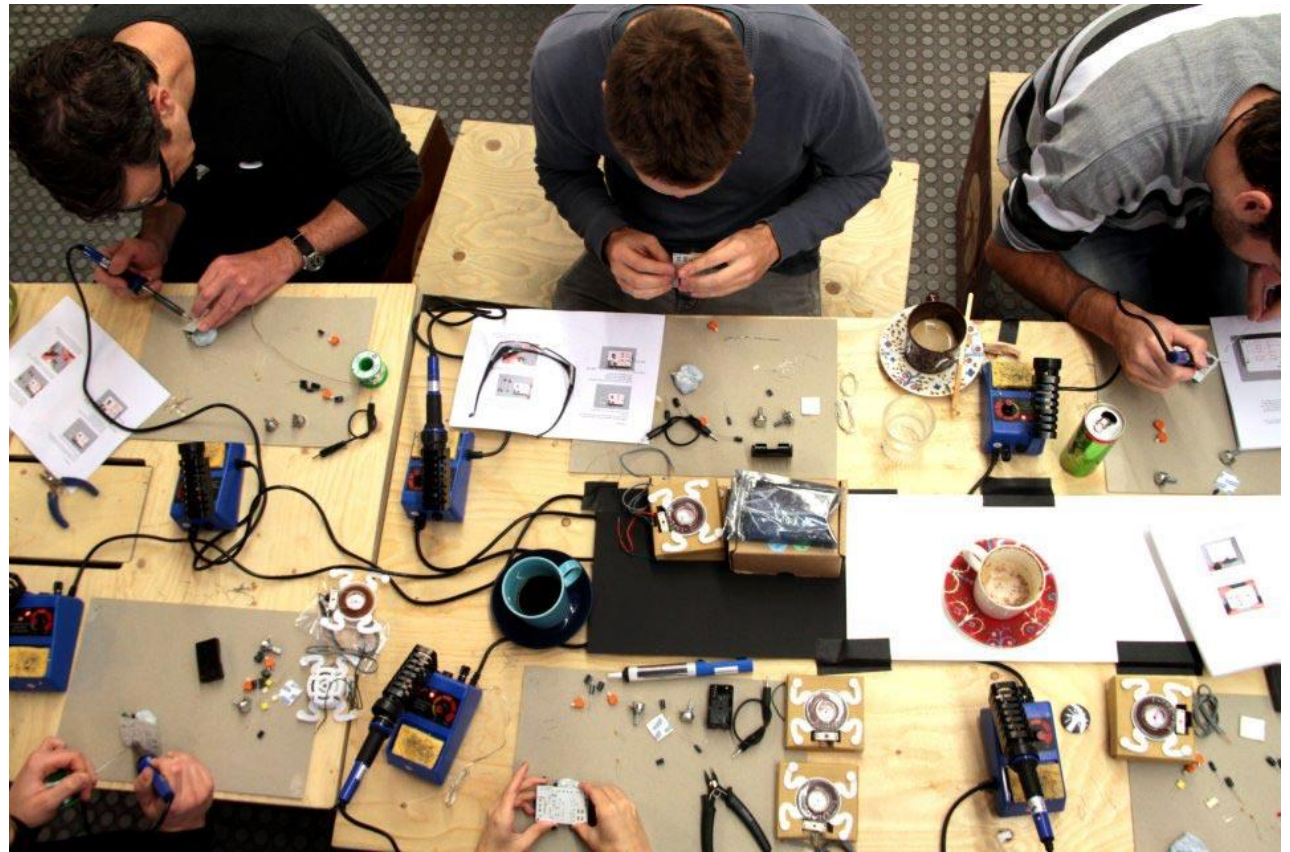
Source: Officespace.com

Pacifica Regency Building



Figure 25. Adaptive Reuse and Creative Office Space





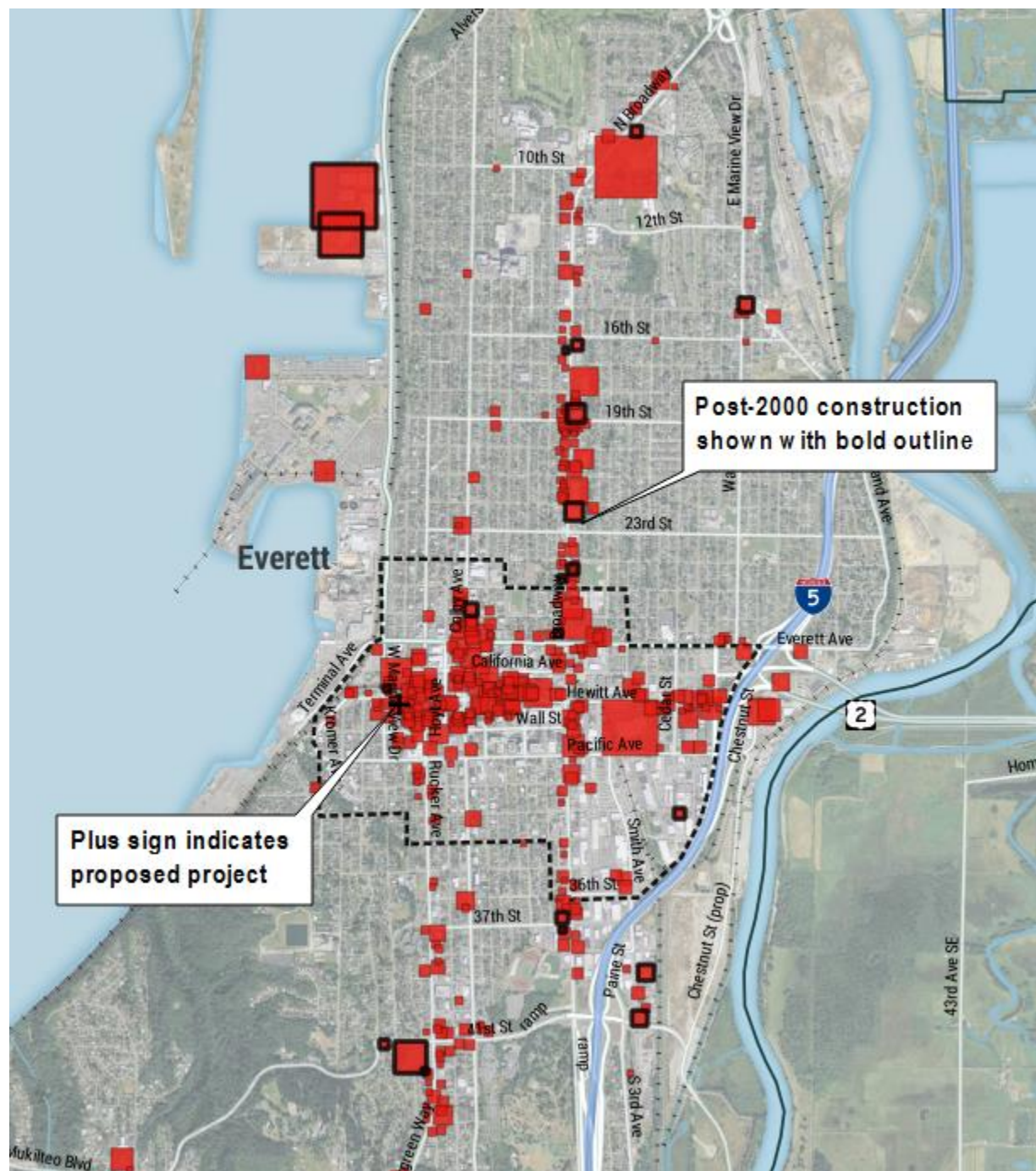
Office Market

Submarket	Quoted Rates	YTD Net Absorption
Ballard/U Dist	\$27.67	49,730
Bellevue CBD	\$42.11	(4,226)
Belltown/Denny Regra.	\$29.55	1,238,706
Bothell/Kenmore	\$25.23	(169,292)
Capitol Hill/Central.	\$37.13	84,245
Coal Creek/Issaquah	\$31.17	(184,540)
Edmonds/Lynnwood	\$22.83	120,188
Everett CBD	\$ 19.08	39,956
Federal Way/Auburn	\$ 19.57	97,504
Kent Valley	\$22.41	127,147
Kirkland	\$29.25	37,900
Lake Union	\$40.61	1,183,291
Mercer Island	\$33.62	(2,577)
Mill Creek/Woodinvil.	\$28.47	180
N Snohomish County	\$ 17.10	(3,296)
Northgate/N Seattle	\$23.89	33,415
Pioneer Sq/Waterfron.	\$34.96	228,120
Queen Anne/Magnolia	\$26.29	101,153
Redmond	\$26.28	122,666
S Everett/Harbor Poi.	\$21.60	(19,817)
S Seattle	\$30.87	33,344
S Snohomish County	\$ 19.93	18,647
Seatac/Burien	\$21.35	29,635
Seattle CBD	\$40.10	617,047
Suburban Bellevue	\$31.29	118,165
Tacoma CBD	\$ 19.65	62,812
Tacoma Suburban	\$21.37	19,792
Univ. Place/Lakewood	\$ 18.95	27,617
Average	\$ 30.66	4,441,245

Market Area Office Demand

Study Area capture rate (conservative)	10%
Study Area capture rate (attainable)	15%
Study Area capture (conservative)	157,338
Study Area capture (attainable)	236,007

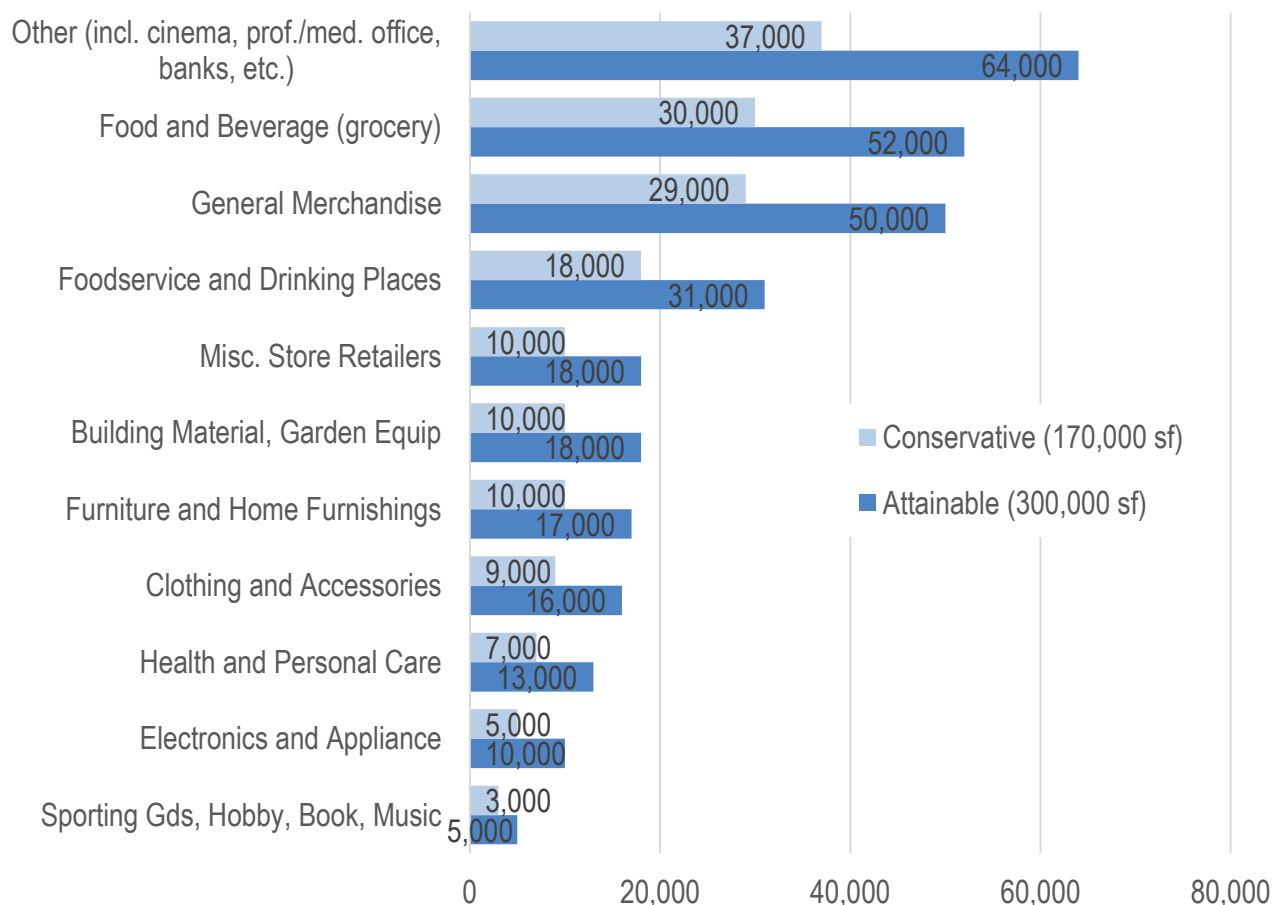
Retail



Source: Costar; and
Leland Consulting Group

Study Area Retail Capture

Study Area 10-year Retail Demand



Recent Metro Center Retail projects

Ground-Floor Retail Space at Artspace Lofts



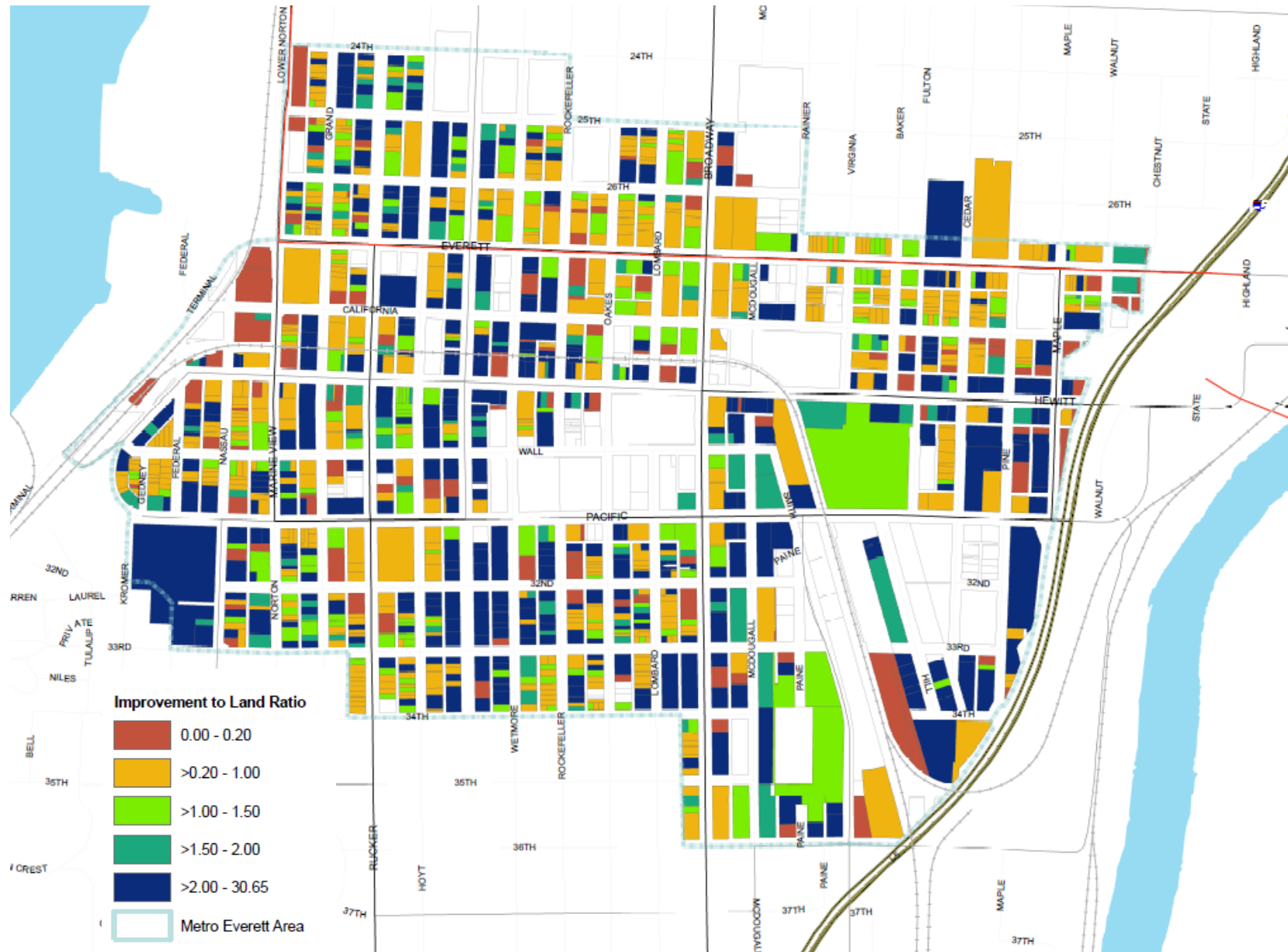
Adaptive reuse: 2820 Oakes Avenue



Site Indicators



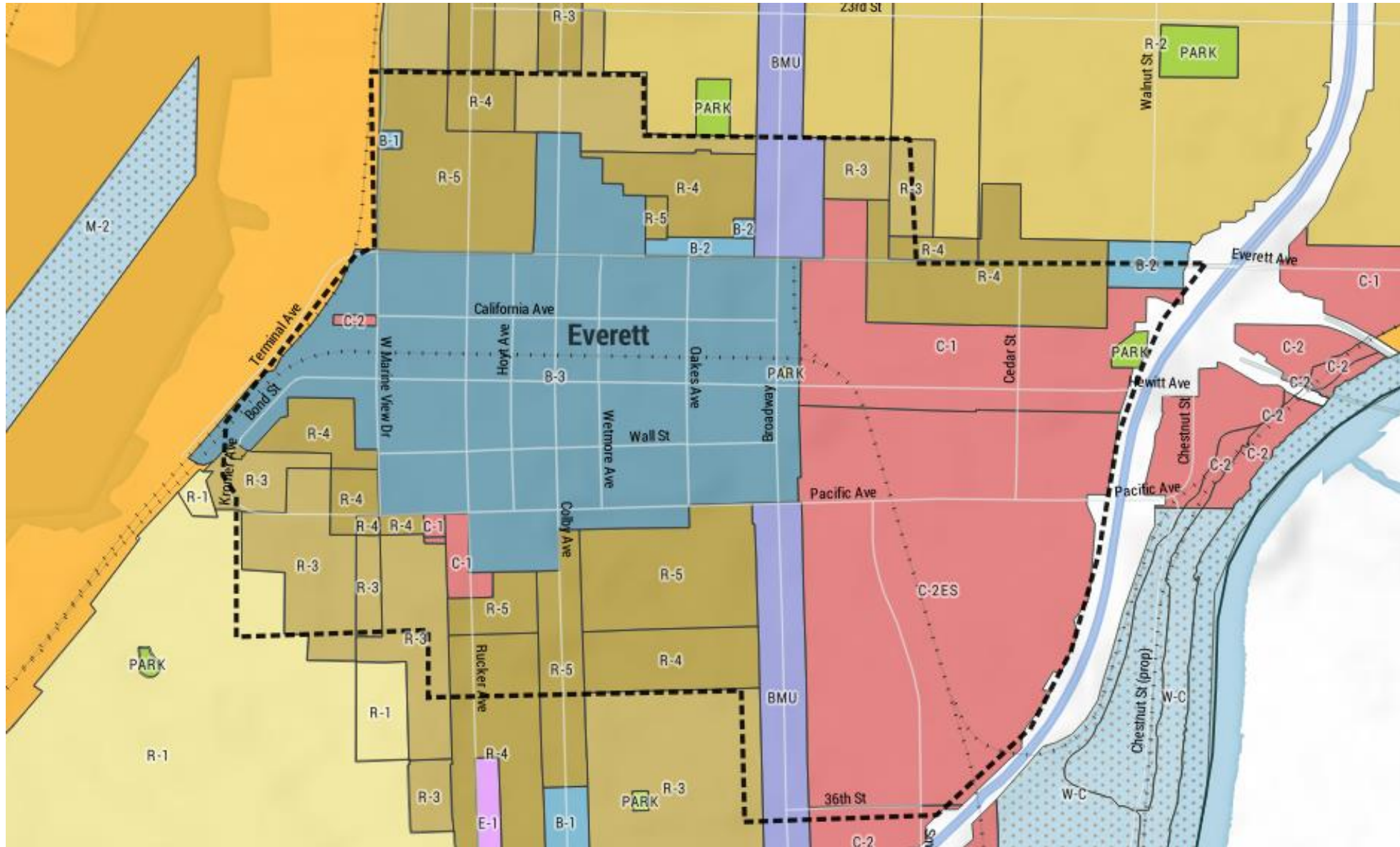
Improvement-to-Land Value Ratio



Zoning Evaluation



Zoning



Big Ideas



Economic Development

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Big Ideas

- Continue to implement the Downtown Plan
- Make the west side world class
- Capture the employees who work in the Metro Center and Market Area
- Grow and attract companies that build on Snohomish County's key industry clusters—engineering, manufacturing, professional services.
- Encourage makers space, and “craft industrial” near Everett Station
- Paine Field commercial service—a potential game changer
- Grow higher ed

Big Ideas

- Plan for senior housing
- Encourage two to four story infill in near term
- Review residential parking requirements
- Investigate grocery
- Connect River and Sound
- Connect to Marina District
- Build Everett's brand and tourist draw
- Plaza / event space as heart of the Metro Center



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Strategic Advisors to Public and Private Development